

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2010, Quarter Ended September 30, 2009**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents		15,002,150	1,467,474	3,521,878	19,991,502
Cash Held with Escrow Agents	1	666,151	0	0	666,151
Accounts Receivable					
Accounts Receivable	2	465,104	30	0	465,133
Due From Other Funds	3	13,844	178	45	14,067
Consumable Inventories	4	2,894	0	0	2,894
Total Current Assets		16,150,142	1,467,681	3,521,923	21,139,746
RESTRICTED ASSETS:					
Collateral Held for Security Lending Agreements	5	974,468	98,475	197,424	1,270,367
Total Restricted Assets		974,468	98,475	197,424	1,270,367
TOTAL ASSETS		17,124,610	1,566,156	3,719,346	22,410,113
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Accounts Payable	6	627,495	48,000	0	675,495
Retained Percentages Payable	1	666,151	0	0	666,151
Due to Other Governments	7	678	0	0	678
Due to Other Funds	3	507	3,413	14,021	17,942
Due to Other Agencies	3	0	51,375	0	51,375
Due to Department of Revenue - Taxes	8	5,472	0	0	5,472
Deferred Revenue	9	0	0	3,507,372	3,507,372
Unclaimed Property Refund Liability	10	0	0	248	248
Liability for Cancelled Warrants	11	2,735	0	282	3,017
Total Current Liabilities		1,303,037	102,787	3,521,923	4,927,747
OTHER LIABILITIES:					
Obligations Under Security Lending Agreement	5	974,468	98,475	197,424	1,270,367
Total Other Liabilities		974,468	98,475	197,424	1,270,367
TOTAL LIABILITIES		2,277,505	201,262	3,719,346	6,198,114
FUND BALANCE					
Reserved for Inventories	4	10,949	0	0	10,949
Unreserved/Undesignated Fund Balance	12	14,836,157	1,364,894	0	16,201,050
Total Fund Balance		14,847,105	1,364,894	0	16,211,999
TOTAL LIABILITIES AND FUND BALANCE		17,124,610	1,566,156	3,719,346	22,410,113

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental type funds.

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State Fiscal Year 2010, Quarter Ended September 30, 2009

The note disclosures are an integral part of these financial statements and should be considered in conjunction with the financial statements.

Notes:

- 1 Cash held with escrow agents are included in performance based contracts wherein periodic program payments are made to the contractor with a contractual retainage of payment made to an escrow agent instead of directly to the contractor pending acceptance of work completed under the contract terms. Until the contract terms are satisfied and the contractor earns entitlement, the cash in escrow is carried in the financial statements as both an asset due from the escrow agent and as a retainage liability due to the contractor. TransCore, primary contractor for operating the Tacoma Narrows Bridge, is the sole vendor for which cash is being held in escrow.
- 2 Accounts Receivable consists primarily of funds collected through acceptance of the customer's credit and/or debit card for central toll accounts and credit card payment at Tacoma Narrows Bridge toll booths. The amounts due are sales by September 30th wherein the cash transfer from the credit card companies will occur after September 30th.
- 3 Inter-fund activity is for goods and/or services provided between governmental funds within the Department of Transportation. Inter-agency activity is for goods and/or services provided to or by other Washington State Agencies.
- 4 Consumable inventory, consists of toll transponders and are valued and reported on the state's financial statements if the fiscal year-end balance on hand is estimated to be \$25,000 or more. Consumable inventory are valued at cost using the first in, first out (FIFO) method. For governmental fund financial reporting, inventory balances are also recorded as a reservation of fund balance indicating that they do not constitute available spendable resources. For the quarter ending September 30th, the amounts of consumable inventory and the reserve account do not match. WSDOT will correct this on future financial statements.
- 5 State statutes permit the Office of State Treasurer to lend securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.
- 6 Accounts payable represents accrued payments due to non-governmental vendors as of September 30th.
- 7 Inter-governmental activity is for goods and/or services provided to or by local governments.
- 8 The Department owes sales taxes on the sale of transponder devices. These are remitted to the Department of Revenue monthly.
- 9 Deferred Revenue is resources, generally cash, collected from customers for automated toll accounts. The revenue is not recognized until the transponder is "read" as the customer's vehicle crosses the Tacoma Narrows Bridge or enters a Hot Lane as a single occupant vehicle. Until this event, the toll transponder account is a liability owed to the customer.
- 10 After twenty-four months of inactivity, customer toll accounts are close and remaining balances are refunded to the customer. Every effort is made to contact the customer, but occasionally an accurate address is unavailable. In cases where Good To Go cannot find the customer, WSDOT remits the customer's balance to the Department of Revenue Unclaimed Property Section. The balance in Unclaimed Property Refund Liability represents amounts that will be remitted to the Department of Revenue.
- 11 Occasionally, the Department is unable to remit payment for goods or services to a vendor because the vendor cannot be located, such as when the vendor changes addresses without notifying the Department. Since we still owe the vendor for the goods or services provided, we must cancel the original warrant (check), find the vendor, and reissue the warrant (check). This line item represents the liability to the vendors whom the Department owes money but temporarily cannot locate to deliver their funds.
- 12 In the fund financial statements, governmental funds report the difference between fund assets and fund liabilities as "fund balance". Unreserved/undesignated fund balance represents the amount available for appropriation.